



# RMHC-SWO Annual Report 2015-2016

Presented at the Annual General Meeting  
December 2, 2016



RONALD  
MCDONALD  
HOUSE  
**London**



RONALD  
MCDONALD  
HOUSE  
**Windsor**



RONALD  
MCDONALD  
Family Room  
**London**

**Southwestern Ontario Childrens Care Inc.**  
**(o/a Ronald McDonald House Charities Southwestern Ontario)**

**Annual Report for the 2015-2016 Fiscal Year**

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## Vision

***Giving sick children what they need most...their families.***

Key themes within this vision:

- ***Giving sick children*** – identifies the centre point of all the work Ronald McDonald House Southwestern Ontario undertakes; that is very sick children.
- ***What they need most*** – reflects the organization’s priority of giving sick children something that makes a substantive difference to them and is vitally important to both their medical situation and their ongoing well-being – their family.
- ***Their families*** – articulates the importance of keeping families together and focused on their challenging situation. A child is best cared for when their family is present and engaged. The ability to support families to reduce their stress, to provide a calm interim living environment and to help them to focus on their sick child is the essence of the organization’s Vision and work.

## Mission Statement

***To provide comforting and supportive programs and services for families of seriously ill children who require medical care.***

Key themes and perspectives that form part of the Mission Statement:

- ***To provide*** – Ronald McDonald House Southwestern Ontario is a community-based and inspired service providing organization. The organization works seven days a week, twenty-four hours a day to provide services and aligned opportunities that allow very sick children to stay connected with their families.
- ***Comforting and supportive programs and services*** – The work of Ronald McDonald House Southwestern Ontario involves the development and delivery of programs and services that support families who are experiencing a medical crisis with a child by providing environments that are comforting, reduce stress, are affordable and enhance a family’s ability to cope with their situation and to better support their child.
- ***For families with seriously ill children who require care*** – identifies the service population that Ronald McDonald House Southwestern Ontario focuses on and delivers its programs and services to. These are families who are experiencing the impact and stress of having a seriously ill child who requires significant medical care, and in many cases, needs to leave their home to come to another community for medical treatment and support.

## Core Values

*We believe in...*

### **Compassion**

In building positive and productive relationships based on respect, warmth, comfort and compassion for the families served and all whom we interact with.

### **Integrity**

In operating ethically and with integrity each day, and being fiscally responsible, transparent and authentic in all that we do.

### **Respect**

That the organization's success lies in the talents, skills and expertise of all the people we engage with and in the importance of respecting each person's uniqueness as an individual.

### **Excellence**

In creating an organizational culture that strives for excellence each day through fostering innovation; team approaches; learning and recognition of the contributions of the staff, volunteers, donors and the community to the important work we pursue.

### **Collaboration**

In the importance of being collaborative and in building partnerships and relationships that significantly enhance the range and quality of supports available to families with seriously ill children.

## President's Annual Report 2015-16

Thank you for joining us at the 2015/16 Annual General Meeting (AGM) of the Ronald McDonald House (RMH) of Southwestern Ontario. The AGM provides us with an opportunity to reflect on the past year, and 2015/16 has been a very busy and exciting time.

Last year at this time, we had just begun construction on the first “House within a Hospital” in Canada at the Windsor Regional Hospital. With incredible support from the hospital and the Windsor community, and the assistance of our architect, Architectura, and general contractor Adine Builders, we were able to complete that project in record time and on budget. The grand opening of RMH Windsor took place on May 6, 2016. The new 7-bedroom facility is absolutely beautiful and we have been close to or at capacity pretty much ever since. The House within a Hospital format allows families to benefit from the RMH home away from home without even having to leave the hospital, and in a very cost-effective way because we are able to piggyback on the hospital infrastructure. RMHC Canada has recognized the House within a Hospital as a preferred model for future growth, and already another House within a Hospital is being planned in the Toronto area. We are proud that our RMH-SWO chapter was on the forefront of this development and that the Windsor House within a Hospital will be serving as a prototype for other chapters throughout Canada.

We expect that the evolution and growth of the Chapter will continue in the coming year. The London House is already at capacity, with some families having to stay off-site with one of our great hotel partners. As such, we are currently involved in a Capacity Review to consider alternatives including a possible expansion of the London house in order to be able to continue to meet the current and future needs of the families we serve.

Our Development department continues to be an integral part of our organization, fundraising to ensure that we have enough revenue to cover our \$2.3M operational budget in our three locations, and to allow us to plan for the future. Our successful signature events like the Curling Bonspiel, Hope Rocks this House, the Windsor Bowl-a-thon, and the RMH Golf Classic as well as many third-party events such as the Oxford County and Fore the Houses golf tournaments and the Corporate Challenge events in London and Windsor provide a significant portion of the funds required to deliver on our mission. Also, the Red Shoe Society has done a tremendous job engaging young professionals in raising funds at several events throughout the year.

On a bittersweet note, this August we said good-bye to Margaret Anderson, who retired after more than 15 years as our Executive Director. Margaret was an incredibly dedicated ambassador for RMH and the “face of the House” to our supporters, community partners and to the children and families who stayed here, as well as a mentor to other Organizational Leaders in the RMH system in Canada and beyond. I want to thank Margaret for her dedication and wish her all the best in her retirement.

I am pleased to announce that after a very thorough search and recruitment process, the board has identified a successful candidate for the new position of CEO of RMH-SWO, who will officially be joining us on January 3, 2017.

I want to thank all of our staff for their true sense of dedication and commitment to our mission, particularly over this year of change. Special thanks to Sue Fahner (formerly Van Arnhem) who stepped into the position of Interim Executive Director. Warm thanks as well to our many volunteers, who take tremendous pride in the House, always ensuring that the families have the comfort and security they need to allow them to focus on their children.

In closing, I would like to thank our donors, who give generously knowing that Ronald McDonald House will be good stewards of their contributions.

We are truly fortunate to have so many wonderful people working together to give sick children what they need most ... their families.

Respectfully Submitted,

*Lou-Anne Farrell, President*

## (Interim) Executive Director's Report 2015-16

A year of expansion, celebrations, transitions, bitter-sweet moments and much love shared all around! Here we stand today as a strong Chapter with regional reach to support more families than ever before. It has been a grand year!

Using conservative figures, we have calculated that we are saving families an average of \$179 per day, which doesn't begin to take into account the many nontangible benefits of support and services available to families who are staying at Ronald McDonald House or experiencing any of the other RMHC-SWO programs – such as entertainment, relaxation, safety, security and peace of mind.

### Measurable Impact

| Measurable Impact on Families                        |                                     |                    |                        |                             |
|--|-------------------------------------|--------------------|------------------------|-----------------------------|
| Service Provided                                     | Calculations based on               | Potential Cost     | Costs paid by Families | Savings/benefit to Families |
| <b>RMHL and RMHW Program Savings:</b>                |                                     |                    |                        |                             |
| Accommodations (including hotel when necessary)      | \$105/day - hotel hospital rate     | \$1,406,370        | \$117,605              | \$1,288,765                 |
| Dinner at Our House meals (366 nights)               | approx. 60 people @ \$15/night      | \$384,815          | 0                      | \$384,815                   |
| Beverages, baked goods, help-yourself foods          | 73 people @ \$5/day                 | \$165,573          | 0                      | \$165,573                   |
| Breakfast & staples for lunch preparation            | approx. 60 people @ \$15/day        | \$393,193          | 0                      | \$393,193                   |
| Laundry  | \$5/load/family/day                 | \$68,091           | 0                      | \$68,091                    |
| Parking at Hospital                                  | Average of \$40/week                | \$77,605           | 0                      | \$77,605                    |
| Communications - long distance, internet, voice mail | \$5/family/day                      | \$68,091           | 0                      | \$68,091                    |
|  | <b>Total Impact for House</b>       | <b>\$2,563,737</b> | <b>\$117,605</b>       | <b>\$2,446,132</b>          |
|  | Average Family visit (7 days)       | \$1,318            | \$61                   | \$1,256                     |
|  | Per Family per day                  | \$188.26           | \$8.78                 | \$179                       |
| Longest continuous stay by a family in 2013-14       | <b>243 days</b>                     | <b>\$45,747</b>    | <b>\$2,134</b>         | <b>\$43,613</b>             |
| <b>RMH London Family Room Program Savings:</b>       |                                     |                    |                        |                             |
| Accommodations                                       | \$105/day - hospital rate           | \$72,345           | \$0                    | \$72,345                    |
| Beverages, baked goods, help-yourself foods          | 100 visits/day @ \$5/day            | \$182,500          | 0                      | \$182,500                   |
| Laundry  | \$5/load                            | \$6,430            | 0                      | \$6,430                     |
|  | <b>Total impact for Family Room</b> | <b>\$261,275</b>   | <b>\$0</b>             | <b>\$261,275</b>            |
| Total impact to families - all programs              |                                     |                    |                        | <b>\$2,707,407</b>          |

### Human Resources

We moved quickly on many fronts as we prepared for a new organizational structure to support the regional reach we were building. With support from our HR Committee, we have moved through the successful implementation and celebrations of three new management positions: Manager - Family Services, Manager – Program Delivery and Manager, Volunteer Services. From there we hired our very first Manager, Ronald McDonald House Windsor, who quickly became our amazing community lead, launching our RMH Windsor Information Place Storefront only one month after joining our team. We then moved quickly into hiring our Windsor Family Services Team, and have landed today with a solid team of 35 staff across the Chapter.

With the launch of our new House in Windsor, came the news of retirement from our much loved Executive Director, Margaret Anderson. The bitter-sweet news gave us pause to appreciate Margaret's 15 year legacy and take some time in the summer to celebrate Margaret. As we have moved into our interim time after Margaret's send-off, we have continued to learn from transition, flexibility and the importance of team engagement through transformation. I have been honoured to share in the privilege of supporting this incredible team through transition. We appreciate greatly the diligence our Board has shown us in finding our wonderful new leader whom we look forward to meeting at our AGM.

## Highlights of the Year

### Expanding Reach:

- RMH Windsor – Opened to Families on May 9, 2016
  - Operating at 90% Occupancy, having served 34 Families with 524 nights of comfort May 9 – August 31, 2016

### Operational Excellence

- Improved chapter wide fully managed technology support!
- Improved chapter wide organizational structure!

### Network Development:

- New volunteer positions – Community Ambassadors!
- Reached 111% of our fundraising goal!

## Goals for the coming year include:

As we enter our final year of our current Strategic Plan – we look towards an organizational refresh and new leadership. We have some goals to wrap up, while others have transitioned into larger efforts ahead in a new Strategic Plan for our future.

In the year ahead, we foresee efforts to:

- Conduct a capacity Review refresh
- Conduct a technology plan refresh
- Improve contingency planning
- Establish actions around our successful family survey results
- Continue policy review – for new NFP Corporations Act 2017
- Update organization wide risk analysis
- Embrace organizational wide training in enhanced storytelling

...always keeping the needs of our families at the forefront of all that we do at all times.

Respectfully submitted,

*Susan Fahner, Interim Executive Director  
Director, Family & Volunteer Services*

# Program Impact Report 2015-16



RONALD  
MCDONALD  
HOUSE  
London



RONALD  
MCDONALD  
HOUSE  
Windsor



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London

**RMHC-SWO has had a defining year** as we now, for the very first time, bring you impact reports and volunteer engagement reports across 3 powerful programs, serving thousands of families.

Ronald McDonald House London stabilized this year in the rapidly growing needs we were facing the previous year. While we still operate with three hotel partners, the changes we made in our referral systems and follow up appointment parameters have allowed us to find stability in the overflow while still managing hotel costs of over \$70,000. 1168 families experience 12870 nights of comfort at RMH London this past fiscal year.

Ronald McDonald House Windsor has experienced an amazing 4 months – and continues to serve many families today. The combination of programming taking place at RMHW has been a unique journey to explore and establish with no other Canadian model of a House-in-a-Hospital to follow. We can often see the “House” model in the familiarity of our longer term families embracing it as their home – while also managing the “Family Room” model within a successful day pass program to provide necessary services to as many families as possible. RMH Windsor has served 34 families with 524 nights of comfort while also providing 87 families with 565 visits to the House to do laundry, and partake in naps and nutrition within the day pass module.

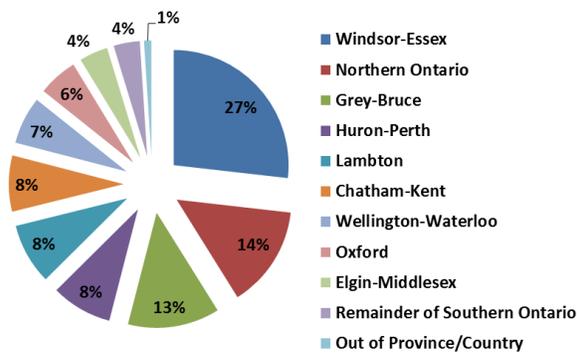
Ronald McDonald Family Room London at Children’s Hospital, London Health Sciences Centre continues to serve more families with more visits each year. This year we established a more formalized lunch program, utilizing our commercial kitchen at the House to prepare and bring over lunch for our Family Room families.

Below you’ll find the charts and statistics that will take you through the journey of impact and mission focused service to our families.

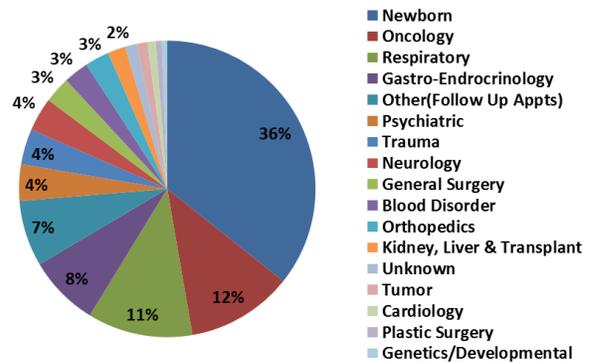
## Ronald McDonald House London (RMHL)

### RMHL - Families

1168 Families Served - by Region



12870 Nights of Comfort - by Diagnosis



**Average length of stay: 7 days (12 days excluding follow up appointments)**

**Longest stay of 2015-16: 243 nights**

**Average Occupancy Rate: 92%**

**Number of nights full: 196**

**Rooms out of service: 1 room, 4 nights**

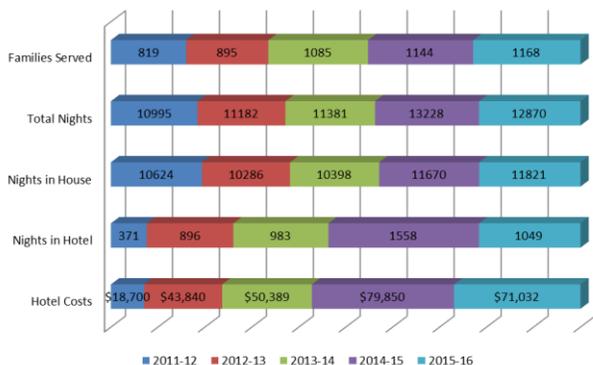
**Number of Hotel Nights: 1049**

**Average Occupancy Rate with Hotel: 100%**

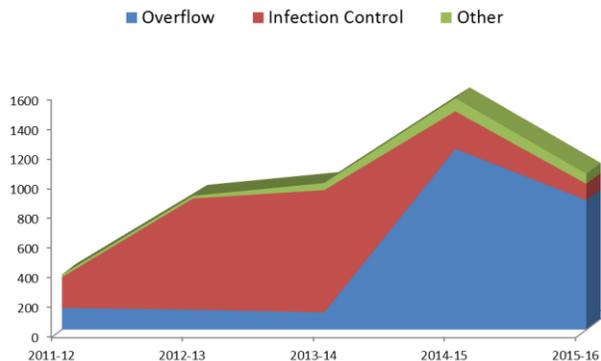
**Number of Families that were not able to be accommodated due to capacity: 18**

**Average length of time on waiting list: 2 days \*\*\*(only occurs when London events fill all hotels, or a family declines hotel)**

**Year over Year Comparison - Accommodations**



**Year over Year Comparison - Hotel Usage**



## **RMHL - Nutritional Programs and Program Delivery**

This year in Program Delivery was one of program audits, assessments, and streamlining. It marked the first nine months of the **newly implemented role of Manager, Program Delivery** which encompasses all common-area programming in the RMH London House (meals, wellness programs, workout, theatre, and craft rooms, special guests and presentations) and all operational aspects of the Ronald McDonald Family Room in London. The new Manager’s goals for the year were to assess what was already happening throughout the House, streamline workflow and enhance volunteer engagement in these areas, and to make the very best use of our donated and donor-supported resources.

Other **Programming Highlights** for the London House include:

- Giddy-up-n-Go petting zoo – best attended program event all year!
- Heroes’ Circle Program for patients and siblings
- Giveaways, activities, and special treats for holidays, with integration of more multi-cultural observances mark improved strategic use of gift in kind resources
- Interactive Pirate visit from the Western Fair
- Regular massage program offerings from Fanshawe and Westervelt Colleges

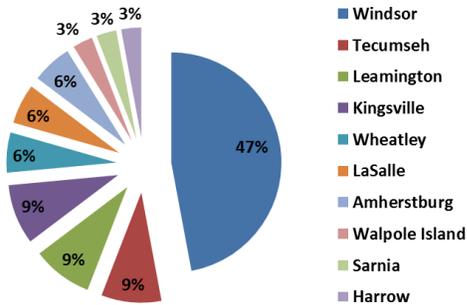
### **RMH London – House Kitchen Program**

|                           |             |
|---------------------------|-------------|
| Continental Breakfast     | <b>366</b>  |
| Hot Breakfast             | <b>42</b>   |
| Lunch                     | <b>143</b>  |
| Dinner at our House       | <b>366</b>  |
| Baking Groups             | <b>429</b>  |
| <b>Total Meals Served</b> | <b>1346</b> |

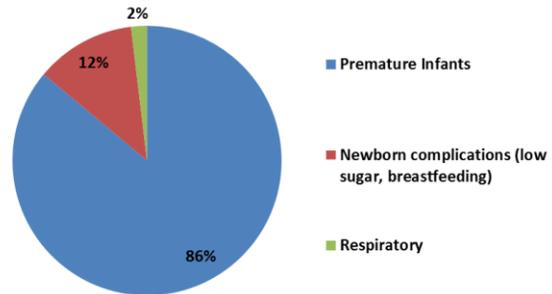
## Ronald McDonald House Windsor, in Windsor Regional Hospital (RMHW)

### RMHW - Families

**34 Families Served - by Region**



**524 Nights of Comfort - by Diagnosis**



**Average length of stay: 15 days**

**Longest stay: 73 Nights**

**Average Occupancy Rate: 90%**

**Number of nights full: 103 nights out of 115**

**Rooms out of Service: 0**

**Number of Families that were not able to be accommodated due to capacity: 10**

**Average length of time on waiting list: 6 – 7 nights**

### RMHW - Nutritional Programs & Day Pass Program

#### **RMH Windsor House Kitchen Program**

|  |            |
|--|------------|
| Continental Breakfast                      | <b>115</b> |
| Lunches                                    | <b>47</b>  |
| Dinner (Program launched in the Fall 2016) | <b>2</b>   |
| Baking Groups                              | <b>54</b>  |
| <b>Total Meals Served</b>                  | <b>218</b> |

#### **RMH Windsor Day Pass Program**

|                                 |            |
|---------------------------------|------------|
| Number of Days Program Running  | <b>45</b>  |
| Total Visits                    | <b>565</b> |
| Total Number of Families Served | <b>87</b>  |
| Totals Adults                   | <b>180</b> |
| Total Children                  | <b>39</b>  |
| Daytime Naps                    | <b>10</b>  |
| Loads of Laundry                | <b>11</b>  |
| Showers                         | <b>47</b>  |
| Overnight Nap Room Usage        | <b>1</b>   |

## Ronald McDonald Family Room London, in LHSC's Children's Hospital (RMFR-L)

We saw another successful year at our London in-hospital site, celebrating the first full year of the FROG (Family Room on the Go) hospitality cart program.

While our average overnight sleep room use remained consistent from last year at 63% occupancy, other service areas increased in usage. The number of visits to the Family Room increased 13% and guest use of services provided (laundry, shower, nap rooms) increased by 21% overall from last year. FROG cart volunteers were instrumental in this increase by bringing awareness to 921 families who had not heard of the Ronald McDonald Family Room's services. The FROG program saw a volunteer visiting families where they are in the hospital 200 days over the year, visiting over 8300 families. FROG cart volunteers find visiting the floors a very rewarding experience. The hospitality cart provides RMHC-SWO an opportunity to connect with new guests to our programs as well as build goodwill with hospital personnel.



***More people are making even better use of the Family Room's offerings, and we have expanded our client base by visiting hundreds of families who cannot even make it beyond their child's bedside.***

### Ronald McDonald Family Room Impact Statistics

|                             | 2012-13                                    | 2013-14 | 2014-15 | 2015-16 |
|-----------------------------|--|---------|---------|---------|
|                             | <small>Sleep Rooms open 4.5 months</small> |         |         |         |
| <b>Days Open</b>            | 321  | 360     | 353     | 366     |
| <b>Total Visits</b>         | 34,182                                     | 36,603  | 36,736  | 38,170  |
| <b>Overnight Uses</b>       | 132  | 655     | 620     | 689     |
| <b>% of Overnight Usage</b> | 32%  | 60%     | 60%     | 63%     |
| <b>Daytime Naps</b>         | 378  | 261     | 239     | 249     |
| <b>Loads of Laundry</b>     | 1,100                                      | 1,288   | 1,093   | 1,286   |
| <b>Showers</b>              | 1,544                                      | 1,588   | 1,503   | 2,013   |
| <b>Pots of Coffee</b>       | <i>**Not tracked</i>                       |         |         | 1,954   |
| <b>Lunch Provided</b>       | <i>**New program 2015-16</i>               |         |         | 55      |

### Ronald McDonald Family Room On-the-Go (FROG Cart)

|  | 2014-15                                 | 2015-16 |
|--|---|---------|
|  | <small>Operating for 3.5 months</small> |         |
| <b>Families served in the NICU</b>   | 126                                     | 1373    |
| <b>Families Served in the PCCU</b>   | 130                                     | 1855    |
| <b>Families Served in the Inpatient Areas</b>  | 412                                     | 5153    |
| <b>Families who were not aware of the Family Room before being visited by the FROG Program</b> | 114                                     | 921     |

Respectfully submitted,

Jessi Linn Davies – Manger, Program Delivery  
 Kelsey MacGregor-Brown – Manager, Family Services  
 Christine Richer – Manager, RMH Windsor  
 Susan Fahner – Director, Family & Volunteer Services

## Volunteer Services Report 2015-16

The Ronald McDonald House Charities Southwestern Ontario Volunteer Program offers an environment that promotes growth, diversity and respect. With a strong focus on Volunteer Engagement and fostering talent, we have been able to give volunteers the opportunity to take lead roles in a multitude of areas where they can harness their passion and skill set. In the last year alone, we have created lead positions for our Kitchen Programs, in our Development Department with a focus on fundraising, communications and data input, with our monthly information sessions that are hosted for potential volunteers by volunteers, in our Program Department with a summer internship and more recently in the London and Windsor Community with the creation of our Community Ambassador Program.

With the opening of our newest House-Within-A-Hospital in May, the need for Community Ambassador Advocates was vital, as our third party initiatives expanded not only in the London and surrounding area, but in Windsor as well. These advocates truly represent the mission of RMHC-SWO, as they are the brand face, voice and heart at community events and third party fundraisers, ensuring we can sustain our growth now and in the future. With a strong focus on consistency and cohesion, our volunteer programs in London and Windsor have been carefully crafted with a similar structure and both strive to nurture volunteers, and respond to their needs so that they, in turn can respond to the needs of the community.

| Volunteer Engagement and Impact Statistics<br>September 1, 2015 – August 31 <sup>st</sup> , 2016 |   |                       |              |
|--|---|-----------------------|--------------|
| Program Area   | Position                                  | Volunteers            | Hours        |
| <b>RMHC – SWO Chapter<br/>(Non-Program Specific<br/>Positions)</b>                               | Board of Directors and Advisory Board     | 27                    | *300         |
|  | Committees of the Board                   | 59                    | *400         |
|  | Family Ambassadors                        | Coming Soon!          |              |
|  | Special Events/Committees                 | *50                   | *1000        |
|  | NEW – Development Intern (Jan-Mar 2016)   | 1                     | 134.51       |
|  | NEW - Data Entry Leads                    | 1                     | 160.25       |
|  | NEW – Communications Volunteer            | Coming Soon!          |              |
| <b>Ronald McDonald Family<br/>Room London</b>  | Family Room & FROG Cart Volunteers        | 54                    | 4805.97      |
| <b>Ronald McDonald House<br/>London</b>  | House Refreshers and Ambassadors          | 99                    | 8,505.38     |
|  | NEW - Community Ambassadors               | 10                    | *30          |
|  | Grocery Volunteers                        | 2                     | *216         |
|  | Dinner Volunteers (103 Groups)            | 618                   | *8784        |
|  | Lunch Volunteers (7 Groups)               | 21                    | *495         |
|  | Hot Breakfast Volunteers (27 Groups)      | 216                   | *1008        |
|  | Baking Group Volunteers (117 Groups)      | 351                   | *3861        |
|  | Christmas Store Volunteers (Nov-Dec 2015) | 73                    | 317.15       |
|  | NEW – Information Session Leads           | 5                     | 117.44       |
|  | NEW – House Kitchen Coordinator Leads     | 2                     | 121.40       |
| NEW – Summer Operations/Program Intern<br>(May-Aug 2016)   | 1   | 465.19                |              |
| <b>Ronald McDonald House<br/>Windsor</b>   | House Refreshers and Ambassadors          | 38                    | 1363.63      |
|  | Community Ambassadors                     | 4                     | *15          |
|  | Grocery Volunteers                        | 1                     | *28          |
|  | Volunteer Engagement Volunteer partner    | 1                     | 39.27        |
|  | Storefront Volunteers                     | 8                     | 662          |
| <b>RMHC-SWO Volunteer Totals</b>   |   | <b>1642</b>           | <b>32829</b> |
| Ratio of staff to volunteers: 1:48   |   | <i>*best estimate</i> |              |

Our collective work is fuelled by the passion of the volunteer. What drives volunteers to give their time inspires us to support their efforts. In the last fiscal year alone, our volunteers have generously contributed over 32800 hours and it has been with their support, dedication and sharing their skills that Ronald McDonald House Charities Southwestern Ontario has been able to deliver our programs and services in the London and Windsor community. Thank you volunteers for being the heart of RMHC-SWO, for all that you do for our families and for making our communities stronger.

Respectfully submitted,

*Lee Bentum – Manager, Volunteer Services*

*Susan Fahner – Director, Family & Volunteer Services*

## Development & Communications Report 2015-16

2015-16 was an extremely busy, successful, and exciting year for the Development/Communications Team. We exceeded our fundraising targets by over \$202,000, which meant we reached 111% of our fundraising goal. Total fundraising revenue for the year was \$2,015,821.

With some of the major third-party fundraisers on our behalf as well as an overall increase in donations, we processed 48% more individual donations this fiscal than in 2014-15

In addition to exceeding our operating targets, we raised over \$1.5M for the RMH Windsor capital campaign

Some of this year's highlights were:

### Fund Development

#### Community Fundraising Events

The summer of 2016 was a busy one for community fundraisers, which was a huge area of growth for us. Estimates saw more than 100 events throughout the year; from all counties served by House programs.

Several larger events of note that have returned once or more in succession: Soccer Dogs in Blenheim (4th year), Hollis Wealth Golf Tournament (2nd year), Jeep "topless" Day (5th year), Oxford Police Association Golf (2nd year) and Oakridge Optimist Golf (5th year) to name a few.

There were a few additions providing huge support this year – London and Windsor Corporate Challenges brought thousands of people together raising money for the House and building companies' team excitement and enthusiasm. We did experience some challenges in managing expenses, balancing data entry needs for pledges and manpower needed to support. We will be meeting with organizers to better plan for 2017 and beyond.



## RMH Windsor Capital Campaign & Grand Opening

We met with great success from a fundraising and communications perspective as we worked toward the opening of RMH Windsor. By the end of the fiscal year, we had raised 95% of our 1.6M Capital Campaign goal, with just over 75K left to raise. The Windsor-Essex community welcomed us with a humbling outpouring of support including large capital campaign gifts from:

- W.E. Care for Kids
- In Honour of the Ones We Love
- McDonald's Restaurants of Windsor-Essex
- Transition To Betterness
- Freedom 55 Financial

We also received tremendous support from RMHC Canada and RMHC Global as we move forward exploring the model for the first ever Canadian Ronald McDonald House-Within-A-Hospital.

Other key areas of focus for Dev/Comm in regard to RMH Windsor were:

- Getting optimal media coverage around the new House and who and how it will serve
- Planning the Grand Opening event
- Supporting the set up and communications for the RMHW Information Place
- Determining signage for the new House around the hospital
- Working with In-Kind donors to secure support for the new Windsor House



## RMH Golf Classic

The 34<sup>th</sup> Golf Classic welcomed a full roster of golfers for an exciting day on the links. The team experienced great momentum this year surpassing the goals set for sponsorship, and laid the groundwork for further growth in 2017 with new relationships and strengthened connections. New entertainment elements were introduced including a Canadian long driver, Brett Cleverdon, performing throughout the day, and a beloved archery competition on the President's hole. Efforts in 2017 will focus on further cost efficiency, committee growth as we look for strong additions to our sales force, and continued attention to golfer experience.



## Hope Rocks This House



What a great year for Hope Rocks in 2016!

More than 200 guests joined us at London Music Hall to raise the roof in support of the House, hitting a record \$36,000+.

Guests enjoyed the now infamous candy table, CD Wall and annual Rock Star auction; and of course, reveled in the opportunity to sing like a star with Rock Star Live! (band).

## Red Shoe Society

We have been working closely with the RSS across the Development Department the increase support and connection for the various events and committees. We have faced some ups and downs but are working to continue to build structure and proper communications channels within the group. Their signature events All Hallows Eve and Scarlet Ball have continued to be a success while the membership process continues to need tweaking. They also hosted a new event this summer called the Summer Sizzle, which faced some fundraising and logistical challenges. This will be discussed further at the next RSS retreat—to see whether they want to tweak and grow this particular event, plan a new event, or save their resources for their other events and initiatives. Additionally, the RSS provides wonderful support by Decking the Halls for the holidays and providing breakfasts for families at the House.



## **Communications**

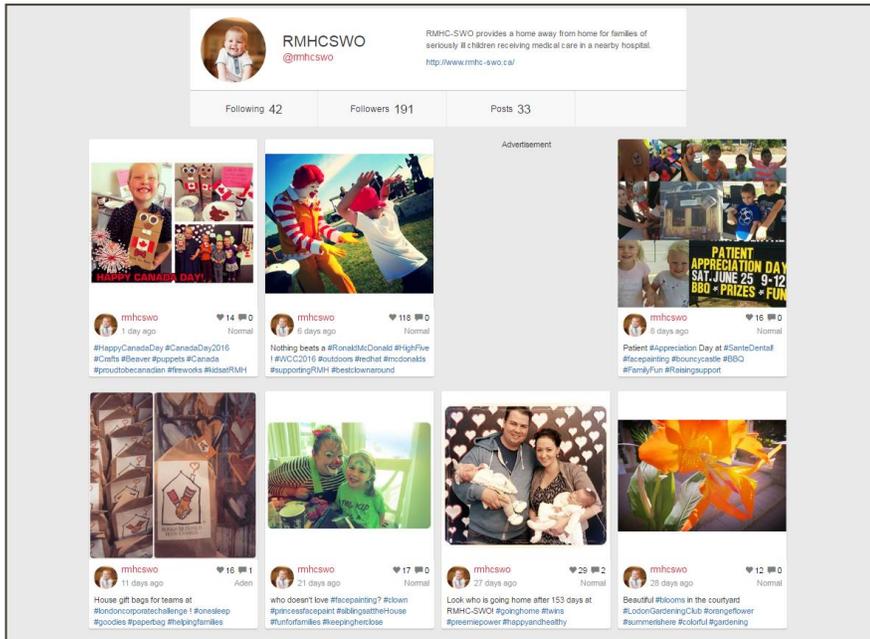
### McHappy Day

Our team was able to visit 57 restaurants in Southwestern Ontario on McHappy Day and received McHappy Day proceeds from 44 locations! On May 4<sup>th</sup> (McHappy Day) our Facebook posts received 985 reactions with an organic reach of 14,776.



## Website/Social Media

- Our website received over 60,000 visits in 2015-16.
- Our social media following is steadily increasing, with very active participation from our followers. As of August 31 we had 4,398 Facebook fans and 1,320 Twitter followers.
- We launched a new Instagram account late into the fiscal year and already have 210 followers.



## Newsletters & Sweeten the Season

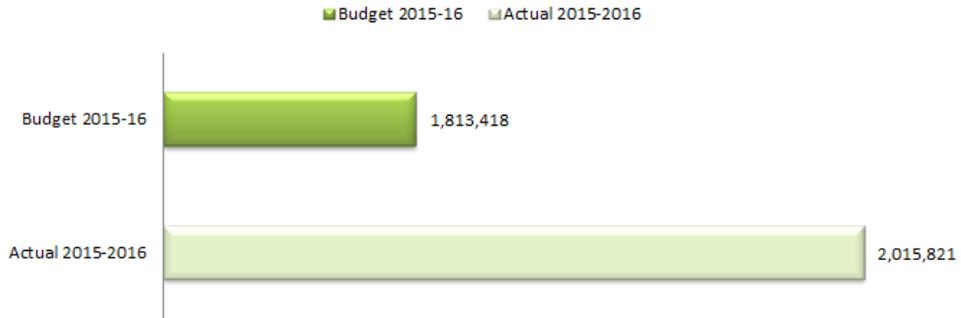
Both of our direct mail initiatives exceeded their expected targets for the year, which is a wonderful success in the ever-increasing online world. Our newsletter brought in more than double what was expected.

## RMHC Canada

We continue to work with RMHC on their fundraising and outreach initiatives, especially “Make Fun Matter” which is a new fundraising platform where anyone can turn something they love into a way to raise funds for Ronald McDonald House.

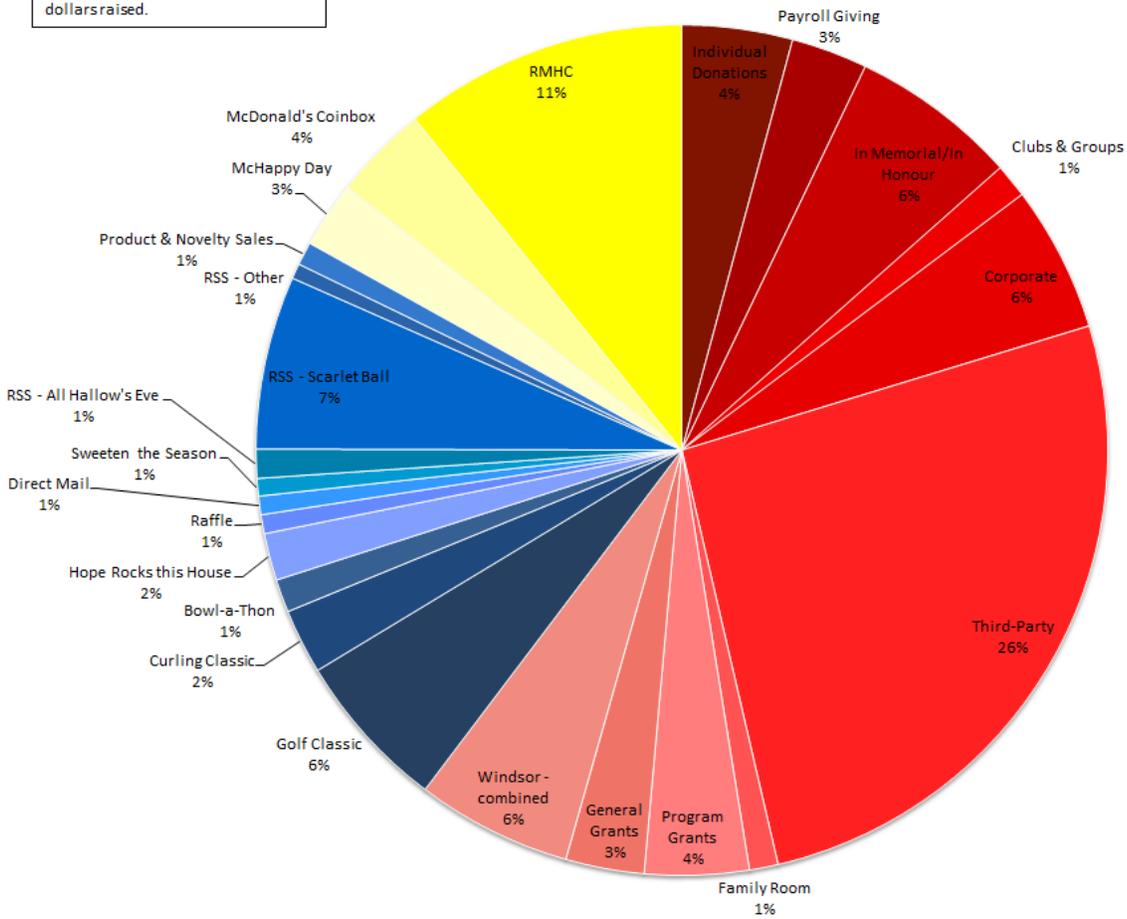
# BUDGET VS. ACTUAL 2015-16

## TOTAL



## DEVELOPMENT REVENUE 2015-16

Note: These figures represent gross dollars raised.



Respectfully submitted,

*Jenne Wason, Director of Development*

## Strategic Plan Oversight Committee Report 2015-16

### Committee Members:

Laurie Gould (Committee Chair)

Carl Edwards, Anita Imperioli, Harry Van Bavel, Jon Williams

Susan Fahner (Interim Executive Director)

Ronald McDonald House London is now in the second year of the Strategic Plan.

There has been progress in the implementation of key strategic priorities. Monitoring of initiatives occurs on a monthly basis and corrections being taken as a result of slow-downs due to either timing or available resources. There have been no complete stoppages or changes in direction in this fiscal year.

The Committee met quarterly via conference call using the reporting method as demonstrated in the following. The cadence and process of the meetings proved to be effective for monitoring progress.

Areas of importance for 2016-17 (year 3 of the 3 year plan) include:

- Continue to provide oversight of the implementation of our current strategic plan (see next page)
- Plan and execute a Strategic Plan Refresh

Respectfully submitted,

*Laurie Gould, Chair*

# High Level Summary

| Goal   | Objective  | Initiative   | Measurement  | Priority Owner  | 2015-2016  |  |                                  |                                  | Mitigation Strategy (if yellow or red)   |   |   |
|--|--|--|--|---|--|--|----------------------------------|----------------------------------|--|---|---|
|  |  |  |  |   | Q1   | Q2   | Q3                               | Q4                               |  |   |   |
| EXPAND OUR PROGRAMS & SERVICES                                   | Enrich existing programs and services<br><br>demand<br><br>Extend reach beyond House and throughout the region   | Identify/define new support programs to enhance existing         | Definition of new support programs completed by Feb. 2015  | Dir. of Fam & Vol Services  | Green  | Green  | Green                            | Green                            | Completed and ongoing. Set up very well from survey results.                     |   |   |
|  |  | Implement new support programs                                   | # of new programs based on above implemented on time and on budget   | Dir. of Fam & Vol Services  | Green  | Green  | Green                            | Green                            | Heroes Circle, FROG Cart, Spa Program, Massage, Healthy snacks, Wellness partner |   |   |
|  |  | Conduct capacity review of facility                              | Capacity review completed by Feb. 28, 2015   | Executive Director  | Yellow   | Yellow   | Red                              | Red                              | On hold due to workload - pending new Org Leader                                 |   |   |
|  |  | Implement recommendations of capacity review                     | Recommendations completed by Aug. 31, 2017<br>Increased # of families served   | Executive Director  | Grey   | Grey   | Grey                             | Grey                             | H&F Committee is anxious to be able to take on the actionables for this project  |   |   |
|  |  | Explore expansion of Family Room concept commencing with Windsor | Engage Windsor Regional Hospital in discussions re planning, to be completed by January 2015   | Executive Director  | Green  | Green  | Green                            | Green                            | Exploration completed  |   |   |
|  |  | Implement Family Room concept in Windsor                         | Implement Family Room at WRH by December 2015<br>Establish baseline metrics by Dec. 2016 (families served, min. satisfaction level, etc.)  | Initially Executive Director  | Green  | Green  | Green                            | Green                            | House in Hospital opened on schedule and on budget.                              |   |   |
|  |  | Based on Windsor model, explore other opportunities in           | 2016-2017  | Dir. of Fam & Vol Services  | Grey   | Grey   | Grey                             | Grey                             | NA at this time  |   |   |
|  |  | Explore potential for pediatric hospice program                  | Report of finding - February 2015  | Executive Director  | Yellow   | Yellow   | Red                              | Red                              | On hold due to workload. Pending new Org Leader                                  |   |   |
|  |  | ACHIEVE ORGANIZATIONAL EXCELLENCE                                | Foster a culture of success, innovation and continual improvement<br><br>Advance a long range technology plan<br><br>Enhance annual performance measurement professional development & outcomes measurement<br><br>Enhance services by adopting best practices | Develop & implement a comprehensive Team Growth Plan - become the place everyone wants to work                                | Full plan implemented by Aug. 31, 2015<br><br>Staff & volunteer satisfaction survey results improved by 10% by Nov. 2015 (and %5 annually thereafter)<br><br>Controllable staff turnover reduced by 10% annually | Executive Director<br>Executive Director<br>Executive Director       | Green<br>Yellow<br>Yellow        | Green<br>Red<br>Green            | Green<br>Red<br>Green  | Green<br>Red<br>Green   | Advances made - Employee Handbook needs updating per feedback<br><br>Short staffed - survey pushed back to spring 2016. We can conduct in fall 2016 - or should we wait for Org leader?<br><br>Fiscal: 1 unplanned, and 1 our choice, 2 temp students<br>IT firm now contracted can continue a review and recommendations. Decisions have been made to meet industry standards in the meantime. |
|  |  |  |  | Conduct a process & capacity review and develop a comprehensive technology plan with sufficient annual budget allocations     | Process & capacity review completed by April 2015<br><br>Technology plan with metrics established by August 2015<br><br>Implement & monitor through August 2017  | Executive Director<br>Initially Executive Director<br>Office Manager | Yellow<br>Green<br>Grey          | Green<br>Yellow<br>Grey          | Green<br>Yellow<br>Grey  | Green<br>Red<br>Grey  | Green<br>Red<br>Grey  |
| Develop & implement a comprehensive employee management plan     | Develop & implement robust performance measurement tools by December 2014<br>Competitive salary grid developed by June 2015, (75% percentile) fully implemented by September 2015<br>Comprehensive, clearly defined benefits & development opportunities in effect by September 2015   |  |  | Executive Director<br>Executive Director<br>Executive Director  | Green<br>Green<br>Green  | Green<br>Green<br>Green  | Green<br>Green<br>Green          | Green<br>Green<br>Green          | Green<br>Green<br>Green  | In use<br>Completed and in use<br>EAP sought in effect as of Nov. 1, 2015. Benefit provider raised costs by 4% - possible evaluate our contribution in final fiscal   |   |
| Develop & implement a plan to address organizational continuity  | Increase in staff satisfaction level by November 2015<br>Develop emergency / contingency plan by June 2015<br>Implement cross training completed by December 2015  |  |  | Executive Director<br>Executive Director<br>Executive Director  | Yellow<br>Green<br>Green   | Green<br>Green<br>Green  | Green<br>Green<br>Green          | Green<br>Green<br>Green          | Green<br>Green<br>Green  | Still to be done<br>Emergency done<br>Contingency still in works<br>Emergency training with FSC, New Manager roles are being cross trained. Cross training still needed in admin  |   |
| Solidify accountability, transparency and policies               | Conduct a thorough review of all policies, regulations and terms of reference by Dec. 2015, compliant with NFP Corporations Act July 2017<br>Conduct a thorough risk analysis by March 2015<br>Base line organizational score-card (metrics) - September 2015<br>Board satisfaction (risk & informed) at acceptable level by June 2015 |  |  | Executive Director<br>Executive Director<br>Executive Director<br>Executive Director  | Green<br>Yellow<br>Green<br>Green  | Green<br>Green<br>Green<br>Green                                     | Green<br>Green<br>Green<br>Green | Green<br>Green<br>Green<br>Green | Green<br>Green<br>Green<br>Green   | Progressing well though not complete - as much emphasis as time will allow will be put on this in prep for new Org Leader<br>Partially completed<br>All efforts have been put to opening Windsor<br>Survey reviewed at last Board meeting                   |   |
| Develop & implement a comprehensive stakeholder engagement plan  | Program developed by March - pushed back to July 2105 in Q2<br>Annual outreach targets met<br>Awareness, volunteer levels and funding increasing   |  |  | Director of Development<br>Director of Development<br>Director of Development   | Green<br>Green<br>Green  | Green<br>Green<br>Green  | Green<br>Green<br>Green          | Green<br>Green<br>Green          | Green<br>Green<br>Green  | Report to Board in Q2<br>on track<br>Year-end stats overall positive  |   |
| Refine & implement a comprehensive development program           | Meet or exceed budget target annually<br>Maintain or surpass industry standards for spending ratios (<35% by Aug 31, 2015 & <30% by Aug 31, 2016)<br>Metrics developed as identified   |  |  | Director of Development<br>Director of Development<br>Director of Development   | Green<br>Green<br>Green  | Green<br>Green<br>Green  | Green<br>Green<br>Green          | Green<br>Green<br>Green          | Green<br>Green<br>Green  | Overall positive<br>Event levels generally good - RSS & Golf are areas of most complexity<br>Exceeding targets for RMH-Windsor  |   |
| Create & implement comprehensive communications plan             | Plan created by March 2015<br>Cross training of staff, Board and volunteers completed by August 2015<br>10% annual increase in participation in community outreach events<br>20% annual increase in social media platforms   |  |  | Director of Development<br>Director of Development<br>Director of Development<br>Director of Development                      | Green<br>Green<br>Green<br>Green   | Green<br>Green<br>Green<br>Green                                     | Green<br>Green<br>Green<br>Green | Green<br>Green<br>Green<br>Green | Green<br>Green<br>Green<br>Green   | Part of Stakeholder Engagement Plan<br>Q1 2016-17 is likely best target based on availability<br>Map complete, Volunteers being recruited<br>>50% each in Facebook & Twitter followers  |   |
| Develop & implement a comprehensive volunteer engagement program | Baseline survey completed by November 2014<br>Program developed and implemented by September 2015<br>Volunteer satisfaction level increased by 20% by September 2016   |  |  | Director of Family & Volunteer Services<br>Director of Family & Volunteer Services<br>Director of Family & Volunteer Services | Green<br>Green<br>Green  | Green<br>Green<br>Green  | Green<br>Green<br>Green          | Green<br>Green<br>Green          | Green<br>Green<br>Green  | Postponed by comprehensive Family Survey - look for Q1 2016-17. On track for Q1 - Western University completing this survey<br>Fiscal 2016/17 will see more statistics in scorecard to track success. Board Recruitment to embrace new fiscal.<br>See above |   |

RMHC-SWBC Annual Report | 014-2015

## House & Facilities Committee Report 2015-16

### Committee Members:

Lestra Irvine (Committee Chair)

Tom Bes, John Crookes, Matt Gingrich, Scott Holland, Mike Malleck

Staff Support: Susan Fahner (Interim Executive Director), Paul Pogue, Lisa Dahm

Priorities for the group over the past year included:

- Food Safety Excellence
- Technology Stability

### Food Safety Excellence:

Our new Manager, Program Delivery worked directly with our Committee to ensure compliance and excellence was achieved in food safety while managing increases in volunteer groups providing even more meals this year. Food Safety is no small task on its own, however the management of these standards when working with over 300 people a week in our kitchen is nothing short of miraculous. Many of our dinner groups have been with us for decades, and the true joy is having all of our groups make a smooth transition to new rules while staying committed to serving our families. We are so grateful to so many hands that safely serve our families. Our Food Safety Standards have successfully been applied to the operations plans of our Windsor House with fully trained staff and volunteers, and the successful launch of the “Dinner at Our House” program.

### Technology Stability:

While our technology assessments continue, we successfully secured a new VPN tunnel for our Windsor House making RMH London the hub for IT operations. Our new server is supporting everyone well, with improvements to our bandwidth a next step in our near future. Our expansion to Windsor launched a search for a new IT firm, and landed us a multi-regional firm to now support all locations and the Chapter as a whole. Signing on with a full service managed agreement with Next Dimensions has brought us a solid partner for our next steps in technology improvements.

As we continue to evaluate best practices now across 3 programs, we never forget the partners that provide the day to day necessities, and nutritional staples for our families and the comfort of a room should they arrive to find our House full.

We would like to thank the following hotel partners for providing 1049 nights of comfort at deeply discounted rates for our families at RMH London during this time:

- Best Western Lamplighter Inn
- Holiday Inn Hotel & Suites
- Quality Suites

A tremendous thank you for the following gifts and services provided right to our 2 Houses:

- Agropur – Sealtest & Natrel products – milk, juice, creamer, butter, yogurt
- ARYZTA, Oakrun Farm Bakery
- CANUS – Goats milk soap products
- Coca Cola Canada Ltd. – Coke products (provided to families for only \$0.25 each)
- Ecolab – cleaning products
- Kellogg – breakfast and snack foods
- Kruger Products – paper towels, napkins, toilet paper, tissues
- La-Z-Boy – 4 pieces of furniture per year
- London Hospital Linen Service – laundry service

- Mother Parkers Foods Limited – coffee and tea
- McDonald’s Restaurants of Canada Ltd. – product, personnel, financial support, etc.
- Saputo – Additional Dairy Products – chocolate milk, cheese slices, cheese strings, cottage cheese
- Trap Doc – yearly grease trap cleaning

Respectfully submitted,

*Lestra Irvine, Chair*

# Program Advisory Committee Report 2015-16

## Committee Members:

Greg Marshall (Committee Chair)

Dolores Baldissera, Erika Clements, Darren Connolly, Kim Gray, Claudette MacDonald, Val McKay, John Simioni, Veronica Thorne, Margaret Warden, Michelle Wilband,

Staff Support: Susan Fahner, Jessi Linn Davies, Lisa Dahm

Priorities for the group over the past year included:

- Establishing a successful regular meeting schedule
- Focusing on conducting a successful and extensive family survey
- Establishing a new work plan, goals and measurable based on family survey feedback

Our PAC Committee continues to prosper with the support of our new position, Manager Program Delivery. The Committee's participation along with having a designated staff position to oversee programs has paved the way for a successful audit of our efforts – with a collaborative plan going forward.

A Guest Family Survey was implemented in Spring 2016 to assess family usage of our House spaces and programs. The survey was the most robust family survey we have done to date including 218 guest responses. We were thankful for the Statistical support provided by a team of volunteers from Western University. Results from that survey continue to inform program decisions and space allocation in the House – with the following 3 key areas as our main guide.

## Community:

- ✓ Strengthen partnerships with services and programs within our Hospital Block
- ✓ Improve access for Children's Hospital Community to the services we do provide
- ✓ Provide more direct connection to services we don't provide in-house



*Community*

## Quantity:

- ✓ Expand services to include a RMH Day-Pass Program, starting with House access for Hotel Families
- ✓ Share what we do well with more families at Children's
- ✓ Improve family access to multi-use spaces in-House



*Quantity*



*Quality*

## Quality:

- ✓ Maintain & ensure calm, comforting home for in-House Guests
- ✓ Improve Communication to Guests through technology
- ✓ Focus Wellness Initiative on Stress Reduction

With these results, the committee is ready to enter the New Year with a concentrated work plan and goals – while also desiring to seek similar survey results for our Family Room Program at Children's Hospital – to help support program analysis and focused improvements for this program as well.

Respectfully submitted,

*Greg Marshall, Chair*

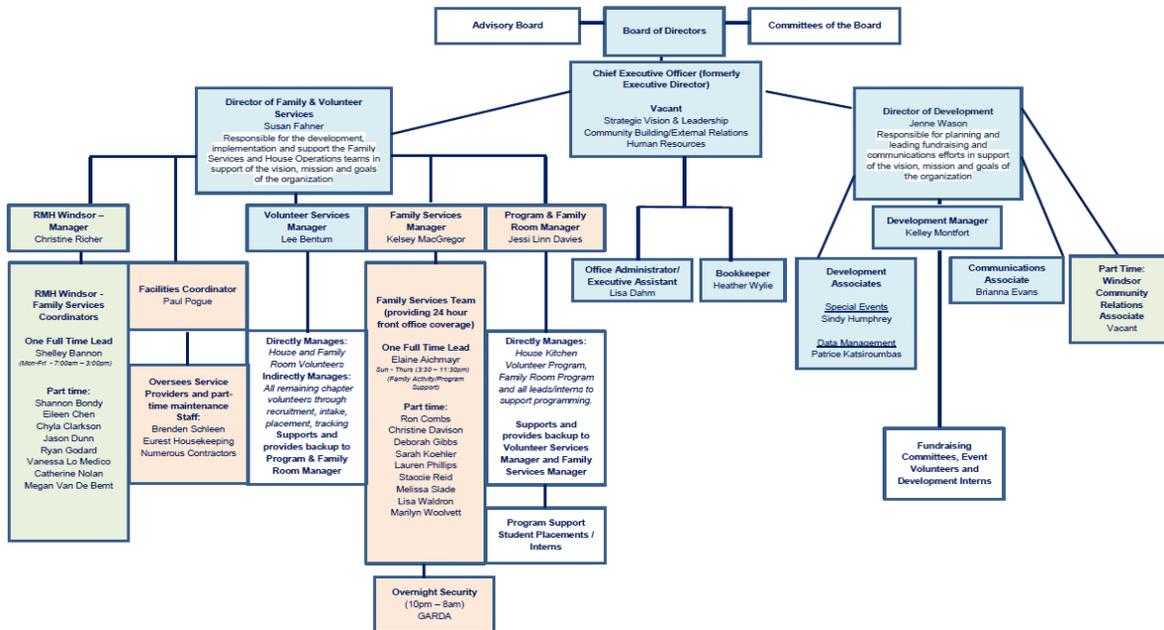
# Human Resources Committee Report 2015-16

## Committee Members:

Anne McNeil (Committee Chair)  
 Scott Calamusa, Jason Lessif, Beth Pustai,  
 Staff Support: Susan Fahner, Heather Wylie

Priorities for the group of the past year included:

- Support to organizational structure change – and new management positions
- Supporting the new Joint Health and Safety Committee in establishing best practices
- Continued adoption of new legislated requirements such as AODA obligations and Bill 132
- Supporting ergonomic assessments and office recommendations for offices
- Supporting transition changes and ensuring Interim ED was supported
- Ongoing review of the Self-Management Employee Handbook to continue to make improvements in the new Chapter structure



As Ronald McDonald House Charities continues to expand and change, the scope of the HR committee remains flexible in the nuances of transition. We continue to focus on supporting best practices in human resources management with expanding staff and volunteer teams. We were active in all areas noted above and continue to move into the New Year with a solid work plan to maintain support in Chapter wide enhancements.

Staff surveys and volunteer surveys continue to ensure we are maintaining measurable results while supporting the engagement of all human resources in the organization.

We look forward to a wonderful New Year ahead living out the many changes that we have supported while continuing to tweak and change policies and procedures to best suit the larger regional entity that the organization has become.

Respectfully submitted,

Anne McNeil, Chair

## Governance Committee Report 2015-16

### Committee Members:

Harry Van Bavel (Committee Chair)

Carl Edwards, Barry Irwin, Anne McNeil, John Simioni, Samantha Parsons

Staff Support: Susan Fahner, Lisa Dahm

Across the past year the Governance Committee has been diligently supporting transition, growth and consistencies throughout the changes in the Chapter.

Priorities for the group of the past year included:

- Board of Directors Quality Management Survey completed
- Support to Red Shoe Society through governance recommendations and RMHC-SWO alignment
- Ongoing Policy Review to amend changes to adopt the full Chapter and multiple programs
  - Adoption of a new Records Retention and Destruction Policy
- By-Law Review in preparation for the Not-for-Profit Corporations Act
  - By-Law amendments prepared to present at the AGM, 2016
- Board Committee Structure Review – ongoing review for consistency and comparisons to other Governance models across RMH Chapters in Canada.

While committee member transitions were a challenge this year, along with our change in organizational leadership, we have successfully undertaken the above noted priorities.

Our work in the coming year will be to continue policy review, committee structure review and further ready the organization's by-laws to comply with the new Ontario Non-Profit Corporations Act. We will continue to support the governance goals of the strategic plan and look forward to supporting a strategic refresh and new leadership to the organization.

Respectfully submitted,

*Harry Van Bavel, Chair*

## RMH Windsor Steering Committee Report 2015-16

### Committee Members:

Harry Van Bavel (Committee Chair)

Kelly Bartnik, Norma Coleman, Paul & Linda Couvillon, Carl Edwards, Ron Foster, Anita Imperioli, Barry Irwin, Josh LeClair, Debra Parent, Rosemary Petrakos, Lucia St. Aubin, Lynn Watts,

Staff Support: Margaret Anderson (retired), Jenne Wason, Susan Fahner

***“...a very big thank you for having us. Thank you for the safe haven to relax and restore! What would we have done without this place? I’m glad we didn’t have to find out.”***

This is an excerpt from just one of the many gratitude-filled journal entries made by the families that have been able to be comforted by Ronald McDonald House Windsor. There is no better way to capture the work of this committee than through the words of the families being served, and through a visit to the 3<sup>rd</sup> Floor of Windsor Regional Hospital, Met Campus.

It was a very busy year – one of the quickest turnarounds to a build – and it all came together beautifully for a Grand Opening on May 6<sup>th</sup>, 2016.

Over the past year, while impossible to capture all the work of the committee, these are some of the highlights:

- After a competitive, pre-qualified bid process – the builders were hired – Adine Builders –October, 2015
- ‘Wall Breaking’ event to launch the demolition and build – Nov. 4, 2015
- RMHW Information Place open at Tecumseh Mall to raise awareness, storage as well as a venue for recruitment and training – January – April 2016
- Gift in Kind donations secured for appliances, mattresses, coffee, etc.
- Design and Décor completed, including local artwork, accessories, etc.
- Signage established throughout hospital, including red and white directional striping
- Vinyl wrap established for RMHW Office
- Donor wall and plaques designed by Tsunami Glass
- Grand Opening event on May 6<sup>th</sup> with Cottage theme. Guests included local dignitaries, RMHC-SWO supporters, and Ronald McDonald.
- Open House tours for community May 7 & 8.
- Welcomed our first family May 9<sup>th</sup>, 2016

With the conclusion of this committee, comes the success of building the very first House-in-a-Hospital in Canada. A job very well done everyone. We gave the sick children at Windsor Regional Hospital what they needed most... their families.

Respectfully submitted,

*Harry Van Bavel, Chair*



### **New Names being put forward for consideration for 2016-18:**

There were three known vacancies on the Board as we prepared our new slate of candidates - Derek Schoonbaert, Barry Irwin and Jill Craven have stepped down from the Board or their term is now complete.

Michael Malleck had reached the six year term limit plus one additional year. However, in an effort to maintain continuity, he has agreed to let his name stand for an additional year 1 year term (a special circumstance as is allowed in the by-laws).

After a review of the needed skills and competencies, and completing an evaluation process of candidates, the Nominating Committee would like to put forward the following candidates to serve for the next two years:

Noah Fullbright, General Manager, Cargill  
Kelly Finlayson, Hospital Representative

This will provide a slate of 16 members, with a maximum of 17 members allowed in the by-laws. The Nominating Committee will move to fill the one remaining vacancy in the early part of 2017.

Respectfully submitted,

Michael Barrett  
Chair, 2015/16 Nominating Committee

## New Board Candidates 2016-18

### **Kelly Finlayson** **Director of Children’s Hospital, LHSC**



Kelly has 20 years of health care experience at London Health Science Centre and has held a leadership position for 15 of those years. Kelly’s experiences have contributed to her broad health systems perspective and her passion for leadership development and talent management. Kelly holds a Master’s degree from Western University and is currently a member of the Thames Valley Children Centre Board of Directors.

### **Noah Fullbright** **Cargill- Poultry General Manager**



Noah, along with his wife (Amber) and three children (Asher, Quinn, Eliza), moved to London, ON in February of 2015. During his career, Noah has worked for Weston Foods and Cargill in multiple leadership roles throughout the US and Canada. In his current role, Noah is responsible for leading the poultry business for Cargill that serves McDonald’s Canada and sits on the Poultry Leadership Team that oversees the North American poultry businesses. His career journey has allowed for many opportunities to take a leadership position in helping improve the communities in which he has worked. These amazing opportunities included; serving as a board member for YMCA Columbus, leadership positions for United Way campaigns, and participating in fundraising and support of RMHC. In his spare time, Noah enjoys spending time with family, traveling, drinking amazing coffee, and involvement in church.

## Treasurer's Report 2015-16

**Southwestern Ontario Childrens Care Inc.  
o/a Ronald McDonald House Charities© Southwestern Ontario  
Year Ended August 31, 2016**

*2016: Oh what a year we had!*

### FINANCIAL POSITION HIGHLIGHTS as at August 31, 2016

- Operating bank accounts: \$473,773 -back down to normal level of 2-3 months of expenses  
-transferred \$250,000 to our reserves in July
- Reserves: Cost \$5,252,029 Market Value \$5,510,300 Unrealized Gains = \$258,271
- Capital component: \$1,136,609 Received \$979,877 of contributions plus \$73,464 transfer in,  
\$337,897 loan from operating fund, spent \$1,398,748, earned \$44,083  
for a net increase of \$36,573  
Reserve Study: Minimum \$1,089,246 by 2016
- Operating component: \$4,115,420 2.4 times 2016 operating expenses, excluding amortization expense  
1.8 times 2017 operating budget of \$2.3 million
- Capital expenditures: \$1,398,557 of tangible assets acquired, and none sold in 2016.
 

|         |             |        |           |
|---------|-------------|--------|-----------|
| Windsor | \$1,298,336 | London | \$100,221 |
|---------|-------------|--------|-----------|
- Deferred Revenue: New – Windsor campaign, estimate of operating funds raised to date \$86,161
- Deferred Contributions up \$628,154: Capital campaign receipts less amortization of \$351,542 into income
- Operating Fund Balance net increase \$435,006 (\$508,470 excess less transfer \$73,464 to capital fund)
- Capital Fund Balance net increase \$19,892 (\$53,572 deficiency plus transfer \$73,464)

### INVESTMENT PERFORMANCE

- Our reserves achieved the following rates of return on investment (ROI) over the past few calendar years with comparison to benchmark indices performance.

|                | ROI             |              |                      |                  |
|----------------|-----------------|--------------|----------------------|------------------|
|                | 2016<br>Jan-Oct | 2015<br>1 YR | 2013-15<br>3 YRs     | 2011-15<br>5 YRs |
| <b>RMHCSWO</b> | <b>7.04%</b>    | <b>0.82%</b> | <b>4.05%</b>         | <b>3.31%</b>     |
| Bond           | 5.51%           | 2.36%        | 4.11%                | 4.64%            |
| EAFE           | (2.88) %        | (1.91)%      | 3.39%                | 1.78%            |
| SPTSX          | 13.66%          | (11.09) %    | 1.96%                | (0.24) %         |
| SPX            | 2.20%           | 1.04%        | 14.01%               | 11.11%           |
|                |                 |              | -----annualized----- |                  |

Our reserve's asset allocation as at Aug 31, 2016 is approximately 2.7% cash/equivalents, 62.8% bonds, 32.9% equities and 1.6 % alternative assets.

**SUMMARY OF REVENUES AND EXPENDITURES – September 1, 2015 – August 31, 2016**

|                                | <b>2016<br/>Actual</b> | <b>2016 Budget<br/>(with amortization)</b> | <b>2015<br/>Actual</b> |
|--------------------------------|------------------------|--|------------------------|
| <b>Revenues</b>                | \$2,390,306            | \$2,026,725                                | \$2,065,108            |
| <b>Expenditures</b>            | (2,164,324)            | (2,126,498)                                | (1,812,949)            |
| <b>Excess (loss)</b>           | 225,982                | (99,773)                                   | 252,159                |
| <b>Unrealized gain (loss)</b>  | 228,916                | -  | (104,415)              |
| <b>Net excess (deficiency)</b> | <u>\$ 454,898</u>      | <u>\$ (99,733)</u>                         | <u>\$ 147,744</u>      |

- Donations / Events revenue increased \$333,864 over 2015. McDonald’s revenues are down as funds were received after August.
- No bequests were received in 2016.
- Realized investment income of \$212,314 is up \$112,150 from 2015 due to higher realized gains on the sale of investments.
- Unrealized gains at Aug 31, 2016 were \$228,916 vs. unrealized losses of (\$104,415) last year.
- Expenditures for 2016 were \$2,164,324 compared to \$1,812,949 in 2015.

**Administration** **\$424,414** (\$666 decrease)

|                             |  |
|-----------------------------|--|
| Salaries/benefits \$330,206 | - up \$23,326, additional staffing             |
| Promotion \$29,572          | - down \$9,804, less spent on campaign support |
| All other items \$64,636    | - down \$14,188                                |

**London House / Family Room** **\$1,524,536** (\$136,667 increase)

|                                 |  |
|---------------------------------|--|
| Salaries/benefits \$649,167     | - up \$113,596, additional staffing            |
| Offsite accommodations \$71,032 | - down \$8,818, operational changes/stabilized |
| Programs/supplies \$92,904      | - up \$22,052, volume increase                 |
| Utilities/telephone \$113,060   | - up \$15,571, hydro up \$12,329               |
| Amortization expense \$384,205  | - down \$14,750, declining balance basis       |
| All other items                 | - up \$9,016                                   |

**Windsor House** **\$215,374** (new)

|                               |   |
|-------------------------------|---|
| Salaries, programs, utilities | \$150,392 opened in May to the families |
| Amortization expense          | \$64,982 (10 year lease WRH)            |

## CANADIAN FINANCIAL CONSISTENCY PROJECT

Launched in 2016 by RMHC Canada, this project seeks to build a framework for financial reporting to be used nationally and internationally. The major initiatives are as follows:

|                               |   |
|-------------------------------|---|
| Financial Statement Reporting | December 31 <sup>st</sup> fiscal year-end |
| Performance Metrics           | Compliance with GAAP and CRA              |

Accordingly, we will be adopting a December 31<sup>st</sup> fiscal year end in 2017. Our last non-calendar year-end will be September - August 2017, and then we will report a stub year for September – December 2017.

### **Conclusion**

How many people can say this?

*“We built a \$1.4 million dollar second location (first of its kind in Canada) in less than 12 months, we opened on time and under budget, the community support and stakeholder engagement was so generous that we didn’t have to borrow any money for construction, and before our fiscal year-end, we transferred \$250,000 to our reserve funds!”*

Well, the community of Windsor, WRH, RMHC Canada, RMHC Global, Margaret Anderson, Tom Bes, Architecttura, Adine Builders Limited and all of the staff, volunteers and Board members of RMHC-SWO can say it loud and proud!

After a year like 2016, just saying thank you doesn’t seem to be enough. I am truly honoured to work with all of the staff, board members and volunteers and I am grateful and for their valuable assistance.

Respectfully submitted,



**Robert G. Sandford, CRA, CA, LPA - Treasurer**

**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.  
(o/a RONALD MCDONALD HOUSE CHARITIES®  
SOUTHWESTERN ONTARIO)**

**FINANCIAL STATEMENTS**

**AUGUST 31, 2016**



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**INDEX TO THE AUDITED FINANCIAL STATEMENTS**

**AUGUST 31, 2016**

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Chartered Professional Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Directors of:  
Southwestern Ontario Childrens Care Inc.

We have audited the accompanying financial statements of Southwestern Ontario Childrens Care Inc., which comprise the statements of financial position as at August 31, 2016 and the statement of fund balances, statement of revenues over expenditures, statement of expenditures and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### **Basis for Qualification**

In common with many not-for-profit organizations, the organization derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of donations and fundraising in the fiscal year ending August 31, 2016 was limited to the amounts recorded in the records of the organization. Accordingly, we were unable to determine whether any adjustments for unrecorded amounts might be necessary to revenues, excess or deficiency of revenues over expenditures and fund balances.

### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualification paragraph, the financial statements present fairly, in all material respects, the financial position of Southwestern Ontario Childrens Care Inc. as at August 31, 2016 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

London, Ontario  
November 21, 2016

*Davis Martindale LLP*

Chartered Professional Accountants  
Licensed Public Accountants



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**STATEMENT OF FINANCIAL POSITION**

**AS AT AUGUST 31, 2016**

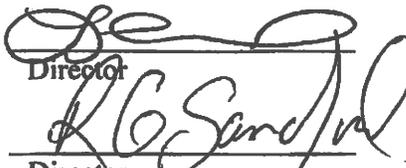
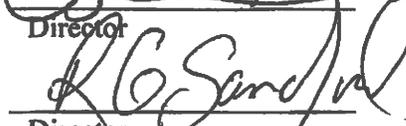
**ASSETS**

|   | <b>2016</b>          | <b>2015</b>          |
|---|----------------------|----------------------|
| <b>Current Assets</b>                   |                      |                      |
| Cash                                    | \$ 473,773           | \$ 1,036,429         |
| Investments (note 3)                    | 5,510,300            | 4,821,672            |
| Accounts receivable                     | 239,634              | 122,708              |
| Inventory                               | 10,313               | 8,731                |
| Prepaid expenses                        | <u>13,055</u>        | <u>8,938</u>         |
|   | 6,247,075            | 5,998,478            |
| <b>Tangible Capital Assets (note 5)</b> | <u>8,057,831</u>     | <u>7,108,461</u>     |
|   | <u>\$ 14,304,906</u> | <u>\$ 13,106,939</u> |

**LIABILITIES AND FUND BALANCES**

|  |                      |                      |
|--|----------------------|----------------------|
| <b>Current Liabilities</b>               |                      |                      |
| Accounts payable and accrued liabilities | \$ 91,358            | \$ 56,547            |
| Government remittances payable           | 65,303               | 71,360               |
| Deferred revenue                         | <u>86,161</u>        | <u>-</u>             |
|  | 242,822              | 127,907              |
| <b>Deferred Contributions (note 6)</b>   | <u>7,436,603</u>     | <u>6,808,449</u>     |
|  | 7,679,425            | 6,936,356            |
| <b>Commitments (note 7)</b>              |                      |                      |
| <b>Fund Balances</b>                     |                      |                      |
| Operating fund                           | 5,205,541            | 4,770,535            |
| Capital fund (note 8)                    | <u>1,419,940</u>     | <u>1,400,048</u>     |
|  | <u>6,625,481</u>     | <u>6,170,583</u>     |
|  | <u>\$ 14,304,906</u> | <u>\$ 13,106,939</u> |

Approved on Behalf of the Board

  
 Director  
  
 Director

*The attached Independent Auditor's Report and notes form  
 an integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.  
(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**STATEMENT OF FUND BALANCES**

**FOR THE YEAR ENDED AUGUST 31, 2016**

|  | <b>Operating<br/>Fund</b>  | <b>Capital<br/>Fund</b>    | <b>2016<br/>Total</b>      | <b>2015<br/>Total</b>      |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Fund Balance, Beginning of Year</b>               | \$ 4,770,535               | \$ 1,400,048               | \$ 6,170,583               | \$ 6,022,839               |
| Excess (deficiency) of<br>revenues over expenditures | 508,470                    | (53,572)                   | 454,898                    | 147,744                    |
| Interfund transfers                                  | <u>(73,464)</u>            | <u>73,464</u>              | <u>-</u>                   | <u>-</u>                   |
| <b>Fund Balance, End of Year</b>                     | <b><u>\$ 5,205,541</u></b> | <b><u>\$ 1,419,940</u></b> | <b><u>\$ 6,625,481</u></b> | <b><u>\$ 6,170,583</u></b> |

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an integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES@ SOUTHWESTERN ONTARIO)**

**STATEMENT OF REVENUES OVER EXPENDITURES**

**FOR THE YEAR ENDED AUGUST 31, 2016**

|  | <b>Operating<br/>Fund</b> | <b>Capital<br/>Fund</b> | <b>2016<br/>Total</b> | <b>2015<br/>Total</b> |
|--|---------------------------|-------------------------|-----------------------|-----------------------|
| <b>Revenues</b>  |                           |                         |                       |                       |
| Donations  | \$ 998,092                | \$ 181                  | \$ 998,273            | \$ 743,234            |
| Donations - Family Room  | 21,805                    | -                       | 21,805                | 950                   |
| McDonalds Restaurants of Canada  | 123,587                   | -                       | 123,587               | 253,793               |
| RMHC of Canada   | 185,918                   | -                       | 185,918               | 185,918               |
| RMHC of Canada - Family Room   | 30,000                    | -                       | 30,000                | 30,000                |
| Events - net (note 9)  | 347,847                   | -                       | 347,847               | 289,877               |
| Amortization of deferred<br>contributions (note 6)                               | -                         | 351,542                 | 351,542               | 330,147               |
| Accommodations   | 114,415                   | -                       | 114,415               | 121,585               |
| Bequests   | -                         | -                       | -                     | 6,000                 |
| Memberships  | 4,605                     | -                       | 4,605                 | 3,440                 |
| Realized investment income (note 10)   | <u>168,241</u>            | <u>44,073</u>           | <u>212,314</u>        | <u>100,164</u>        |
|  | <u>1,994,510</u>          | <u>395,796</u>          | <u>2,390,306</u>      | <u>2,065,108</u>      |
| <b>Expenditures</b>  |                           |                         |                       |                       |
| Administration - Schedule 1  | 424,233                   | 181                     | 424,414               | 425,080               |
| House operating - Schedule 1   | 1,079,042                 | 370,285                 | 1,449,327             | 1,328,670             |
| Family room operating - Schedule 1   | 61,289                    | 13,920                  | 75,209                | 59,199                |
| Windsor House within a Hospital<br>operating - Schedule 1                        | <u>150,392</u>            | <u>64,982</u>           | <u>215,374</u>        | <u>-</u>              |
|  | <u>1,714,956</u>          | <u>449,368</u>          | <u>2,164,324</u>      | <u>1,812,949</u>      |
| <b>Excess (Deficiency) of Revenues over<br/>Expenditures before Other Income</b> | 279,554                   | (53,572)                | 225,982               | 252,159               |
| <b>Other Income</b>  |                           |                         |                       |                       |
| Unrealized investment income<br>(loss) (note 10)                                 | <u>228,916</u>            | <u>-</u>                | <u>228,916</u>        | <u>(104,415)</u>      |
| <b>Excess (Deficiency) of Revenues over<br/>Expenditures</b>                     | <u>\$ 508,470</u>         | <u>\$ (53,572)</u>      | <u>\$ 454,898</u>     | <u>\$ 147,744</u>     |

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an integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**SCHEDULE 1 - STATEMENT OF EXPENDITURES**

**FOR THE YEAR ENDED AUGUST 31, 2016**

|  | <b>Operating<br/>Fund</b> | <b>Capital<br/>Fund</b> | <b>2016<br/>Total</b> | <b>2015<br/>Total</b> |
|--|---------------------------|-------------------------|-----------------------|-----------------------|
| <b>Administration</b>                            |                           |                         |                       |                       |
| Salaries and benefits:                           |                           |                         |                       |                       |
| - Administration                                 | \$ 70,091                 | \$ -                    | \$ 70,091             | \$ 68,407             |
| - Development and sustainability                 | 260,115                   | -                       | 260,115               | 238,473               |
| Promotion and capital campaign                   | 29,391                    | 181                     | 29,572                | 39,376                |
| Professional fees                                | 34,815                    | -                       | 34,815                | 33,684                |
| Stationary, supplies, and postage                | 23,474                    | -                       | 23,474                | 35,295                |
| Board meetings and travel                        | 6,347                     | -                       | 6,347                 | 9,845                 |
|  | <u>\$ 424,233</u>         | <u>\$ 181</u>           | <u>\$ 424,414</u>     | <u>\$ 425,080</u>     |
| <b>House Operating</b>                           |                           |                         |                       |                       |
| Salaries and benefits                            | \$ 595,841                | \$ -                    | \$ 595,841            | \$ 496,778            |
| Offsite family accommodations                    | 71,032                    | -                       | 71,032                | 79,850                |
| Programs and supplies                            | 92,904                    | -                       | 92,904                | 70,852                |
| Utilities and telephone                          | 113,060                   | -                       | 113,060               | 97,489                |
| Repairs and maintenance                          | 150,381                   | -                       | 150,381               | 149,411               |
| Travel   | 26,866                    | -                       | 26,866                | 24,805                |
| Volunteers                                       | 11,807                    | -                       | 11,807                | 9,260                 |
| Sundry, dues and training                        | 17,151                    | -                       | 17,151                | 15,190                |
| Amortization of tangible capital assets          | -                         | 370,285                 | 370,285               | 385,035               |
|  | <u>\$ 1,079,042</u>       | <u>\$ 370,285</u>       | <u>\$ 1,449,327</u>   | <u>\$ 1,328,670</u>   |
| <b>Family Room Operating</b>                     |                           |                         |                       |                       |
| Salaries and benefits                            | \$ 53,326                 | \$ -                    | \$ 53,326             | \$ 38,793             |
| Promotional                                      | 1,414                     | -                       | 1,414                 | 1,353                 |
| Programs, food and supplies                      | 6,549                     | -                       | 6,549                 | 5,133                 |
| Amortization of tangible capital assets          | -                         | 13,920                  | 13,920                | 13,920                |
|  | <u>\$ 61,289</u>          | <u>\$ 13,920</u>        | <u>\$ 75,209</u>      | <u>\$ 59,199</u>      |
| <b>Windsor House within a Hospital Operating</b> |                           |                         |                       |                       |
| Salaries and benefits                            | \$ 116,873                | \$ -                    | \$ 116,873            | \$ -                  |
| Programs, food and supplies                      | 31,286                    | -                       | 31,286                | -                     |
| Utilities  | 2,233                     | -                       | 2,233                 | -                     |
| Amortization of tangible capital assets          | -                         | 64,982                  | 64,982                | -                     |
|  | <u>\$ 150,392</u>         | <u>\$ 64,982</u>        | <u>\$ 215,374</u>     | <u>\$ -</u>           |

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

|  | <b>2016</b>               | <b>2015</b>                |
|--|---------------------------|----------------------------|
| <b>Cash Flows from Operating Activities</b>                |                           |                            |
| Excess of revenues over expenditures                       | \$ 454,898                | \$ 147,744                 |
| Items not requiring an outlay of cash:                     |                           |                            |
| Amortization of tangible capital assets                    | 449,187                   | 398,955                    |
| Amortization of deferred contributions                     | (351,542)                 | (330,147)                  |
| Unrealized investment income (loss)                        | (228,916)                 | 104,415                    |
| Gain on sale of investments                                | <u>(128,016)</u>          | <u>(13,936)</u>            |
|  | 195,611                   | 307,031                    |
| Change in non-cash working capital:                        |                           |                            |
| Accounts receivable  | (116,926)                 | (29,112)                   |
| Inventory  | (1,582)                   | (2,008)                    |
| Prepaid expenses   | (4,117)                   | 4,598                      |
| Accounts payable and accrued liabilities                   | 34,811                    | 8,252                      |
| Government remittances payable                             | (6,057)                   | 12,735                     |
| Deferred revenue   | <u>86,161</u>             | <u>-</u>                   |
| <b>Net Cash Provided by Operating Activities</b>           | <b>187,901</b>            | <b>301,496</b>             |
| <b>Cash Flows from Financing Activities</b>                |                           |                            |
| Increase in deferred contributions                         | 979,696                   | 121,990                    |
| <b>Cash Flows from Investing Activities</b>                |                           |                            |
| Net additions to tangible capital assets                   | (1,398,557)               | (96,007)                   |
| Net change in investments                                  | <u>(926,020)</u>          | <u>583,520</u>             |
| <b>Net Cash Provided by (Used In) Investing Activities</b> | <b><u>(2,324,577)</u></b> | <b><u>487,513</u></b>      |
| <b>Net Increase (Decrease) in Cash</b>                     | <b>(1,156,980)</b>        | <b>910,999</b>             |
| <b>Cash, Beginning of Year</b>                             | <b><u>1,906,489</u></b>   | <b><u>995,490</u></b>      |
| <b>Cash, End of Year</b>                                   | <b><u>\$ 749,509</u></b>  | <b><u>\$ 1,906,489</u></b> |
| <b>Cash is Comprised as Follows:</b>                       |                           |                            |
| Operating cash   | \$ 473,773                | \$ 1,036,429               |
| Investment cash (note 3)                                   | <u>275,736</u>            | <u>870,060</u>             |
|  | <b><u>\$ 749,509</u></b>  | <b><u>\$ 1,906,489</u></b> |

*The attached Independent Auditor's Report and notes form  
an integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.  
(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

**1. Nature of the Organization**

Southwestern Ontario Childrens Care Inc. (o/a Ronald McDonald House Charities® Southwestern Ontario) consists of short-term residential facilities in London, Ontario and Windsor, Ontario where families of seriously ill children can reside while their children receive medical care. Since these children need the support of their parents, the Ronald McDonald House Charities® Southwestern Ontario provides comforting and supportive programs and services for families during this stressful time. The organization is an incorporated registered charitable organization within the meaning assigned in Section 149 of the Canadian Income Tax Act.

**2. Significant Accounting Policies**

(a) Basis of Preparation

These financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash and term deposits with a maturity period of three months or less from the date of acquisition.

(c) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is calculated on the first in first out basis. Inventory consists of toys and memorabilia for sale.

(d) Donated Tangible Capital Assets

Items of a capital nature which are donated to the organization are capitalized in an amount equal to the estimated fair market value of the tangible capital assets and recorded as donation revenue in the capital fund.

(e) Contributed Services

Volunteers contribute many hours per year to assist the organization in carrying out its activities. Because of the difficulty in determining fair value, contributed services are not recognized in the financial statements.

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

**2. Significant Accounting Policies (continued)**

**(f) Tangible Capital Assets and Amortization**

Tangible capital assets are recorded at cost. Amortization is calculated using the declining-balance method at the following annual rates. One half year's amortization is taken in the year of acquisition.

|                         |        |
|-------------------------|--------|
| Building                | 4 - 5% |
| Furniture and equipment | 20%    |
| Automobile              | 30%    |
| Computer hardware       | 30%    |
| Computer software       | 100%   |
| Parking lot             | 8%     |

The organization has signed agreements for a period of 10 years with the London Health Sciences Centre and the Children's Health Foundation to operate the Ronald McDonald Family Room in the London Health Sciences Centre. These agreements contain an option to renew for an additional 10 year period. Tangible capital assets associated with the Ronald McDonald Family Room are being amortized over a 20 year period on a straight line basis. When assets are retired or disposed of, the original cost and related accumulated amortization are removed from the accounts and the resulting gain or loss is credited or charged to the capital fund for the year.

The organization has signed agreements for a period of 10 years with the Windsor Regional Hospital to operate the Ronald McDonald House within a Hospital in the Windsor Regional Hospital. These agreements contain an option to renew for an additional 1 year period. Tangible capital assets associated with the Ronald McDonald House within a Hospital are being amortized over an 11 year period on a straight line basis. When assets are retired or disposed of, the original cost and related accumulated amortization are removed from the accounts and the resulting gain or loss is credited or charged to the capital fund for the year.

**(g) Impairment of Long-lived Assets**

Long-lived assets are tested for impairment when events or changes in circumstances indicate that their carrying value may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

**2. Significant Accounting Policies (continued)**

**(h) Fund Accounting**

To ensure observance of limitations and restrictions placed on the use of the resources available to the organization, the accounts are maintained in accordance with the principles of Fund Accounting. Under these principles, resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund.

*Operating Fund*

The Operating Fund of the organization records amounts used for the administrative and operational costs financed by private donations, events, bequests, memberships, accommodations, and investment revenues.

*Capital Fund*

The Capital Fund accounts for monies received or internally designated for specific purposes other than operating programs. These funds will be fully expended for their intended purpose.

**(i) Revenue Recognition**

Revenue relating to the rental of rooms is recognized as incurred if collection is reasonably assured.

Investment income is recognized in the period earned.

The organization follows the deferral method of accounting for contributions. Where the donations are for a specific capital project or restricted in use, the donation is deferred and the revenue is recognized on a basis consistent with the amortization of the asset or incurring the expenditure. Unrestricted contributions are recognized as revenue in the operating fund when they are received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Endowment contributions, if any, are recognized as direct increases in fund balances.

**(j) Foreign Currency Translation**

The organization uses the temporal method to translate its foreign currency transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect on the date of the statement of financial position. Other assets and liabilities are translated at their historic rates. Revenue and expenditures are translated at the exchange rates prevailing on the transaction dates. Foreign exchange gains and losses are included in the statement of revenues over expenditures.

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an integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

**2. Significant Accounting Policies (continued)**

(k) Use of Estimates

The preparation of the financial statements of the organization, in conformity with Canadian accounting standards for not-for-profit organizations, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(l) Financial Instruments

The organization's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities, and government remittances payable. The organization initially recognizes these financial instruments at fair value and subsequently, except for investments, at amortized cost. Investments are subsequently measured at fair market value. Changes in fair value are recognized in net income.

**3. Investments**

The organization's investments are valued at fair market value. The investments are comprised of different equity and debt securities carrying a variety of terms and conditions, the values of which are allocated as follows:

|                                 | <b>2016</b>         |                     | <b>2015</b>         |                     |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                 | <b>Cost</b>         | <b>Market</b>       | <b>Cost</b>         | <b>Market</b>       |
| Cash and cash equivalents       | \$ 275,736          | \$ 275,736          | \$ 870,060          | \$ 870,060          |
| Fixed income                    | 3,330,057           | 3,350,958           | 2,768,576           | 2,703,882           |
| Equity and alternative strategy | <u>1,646,236</u>    | <u>1,883,606</u>    | <u>1,142,486</u>    | <u>1,247,730</u>    |
|                                 | <u>\$ 5,252,029</u> | <u>\$ 5,510,300</u> | <u>\$ 4,781,122</u> | <u>\$ 4,821,672</u> |

The above noted investments include \$1,136,609 (2015 - \$1,100,036) which are to be used for future capital expenditures. These investments have been included in the capital fund as shown in note 8.

*The attached Independent Auditor's Report and notes form  
an integral part of these audited financial statements.*



**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

**4. Financial Instruments**

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at August 31, 2016.

**Currency Risk**

The organization enters into foreign currency purchase and sale transactions and has assets and liabilities that are denominated in foreign currencies and thus are exposed to the financial risk of earnings fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates. These assets and liabilities are of a short-term nature and management does not believe they represent a significant risk to the organization. The organization does not currently use derivative instruments to reduce its exposure to foreign currency risk.

**Credit Risk**

During the normal course of operations, the organization is exposed to credit risk in the event of non-performance by its guests in connection with its accounts receivable. The organization does not try to mitigate losses due to uncollectibility because their focus is to help families in need. The organization determines, on a regular basis, the probable uncollectible amounts and writes them off as deemed appropriate. Management does not anticipate significant loss for non-performance.

**Market Risk**

The organization's investments in publicly-traded securities exposes the organization to price risks as equity investments are subject to price changes in an open market. The organization does not use derivative financial instruments to alter the effects of this risk.

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

**5. Tangible Capital Assets**

|                                  | <b>Cost</b>         | <b>Accumulated<br/>Amortization</b> | <b>2016<br/>Total</b> | <b>2015<br/>Total</b> |
|----------------------------------|---------------------|-------------------------------------|-----------------------|-----------------------|
| Building                         | \$ 8,488,356        | \$ 2,355,564                        | \$ 6,132,792          | \$ 6,377,346          |
| Ronald McDonald Family Room      | 278,478             | 63,802                              | 214,676               | 228,596               |
| Parking lot                      | 10,661              | 426                                 | 10,235                | -                     |
| Furniture and equipment          | 1,161,923           | 734,390                             | 427,533               | 436,707               |
| Automobile                       | 59,349              | 39,859                              | 19,490                | 27,843                |
| Computer hardware                | 115,003             | 79,522                              | 35,481                | 17,211                |
| Computer software                | 40,842              | 6,126                               | 34,716                | -                     |
| Ronald McDonald House<br>Windsor | <u>1,239,236</u>    | <u>56,328</u>                       | <u>1,182,908</u>      | <u>20,758</u>         |
|                                  | <u>\$11,393,848</u> | <u>\$ 3,336,017</u>                 | <u>\$ 8,057,831</u>   | <u>\$ 7,108,461</u>   |

**6. Deferred Contributions**

Deferred contributions represent funding received for the renovation, expansion and future improvements to the London residential facility; for the creation of the London Ronald McDonald Family Room; the creation of the Windsor House Within a Hospital; and for purchasing furniture and equipment for each of these sites. These contributions are being amortized into income on the same basis as the related tangible capital assets. The changes in the deferred contributions balance for the year are as follows:

|  | <b>2016</b>         | <b>2015</b>         |
|--|---------------------|---------------------|
| Balance, beginning of the year:                  | \$ 6,808,449        | \$ 7,016,606        |
| Less: amortization of deferred contributions     | (351,542)           | (330,147)           |
| Less: capital fund promotion & campaign expenses | (181)               | (8,525)             |
| Add: contributions received for capital purposes | <u>979,877</u>      | <u>130,515</u>      |
| Balance, end of year                             | <u>\$ 7,436,603</u> | <u>\$ 6,808,449</u> |
| Balance represented by:                          |                     |                     |
| Unspent contributions                            | \$ 1,068,973        | \$ 1,076,473        |
| Unamortized contributions                        | <u>6,367,630</u>    | <u>5,731,976</u>    |
|  | <u>\$ 7,436,603</u> | <u>\$ 6,808,449</u> |

Capital fund promotion and campaign expenses consist of communication and promotion costs. During the year, \$181 (2015 - \$8,525) was spent to cover these costs.

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
**(o/a RONALD MCDONALD HOUSE CHARITIES® SOUTHWESTERN ONTARIO)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

**7. Commitments**

The organization leases land occupied by Southwestern Ontario Childrens Care Inc. for \$1 per annum from the London Health Sciences Centre under a lease which expires on July 31, 2083.

**8. Capital Fund**

The capital fund balance consists of the following:

|                                  | <b>2016</b>         | <b>2015</b>         |
|----------------------------------|---------------------|---------------------|
| Investments                      | \$ 1,136,609        | \$ 1,100,036        |
| Tangible capital assets (note 5) | <u>8,057,831</u>    | <u>7,108,461</u>    |
|                                  | 9,194,440           | 8,208,497           |
| Less amounts financed by:        |                     |                     |
| Due to Operations                | (337,897)           | -                   |
| Deferred contributions (note 6)  | <u>(7,436,603)</u>  | <u>(6,808,449)</u>  |
| Balance, end of year             | <u>\$ 1,419,940</u> | <u>\$ 1,400,048</u> |

During the year, there were transfers made by the operating fund to the capital fund in the amount of \$73,464 (2015 - \$52,396).

**9. Events**

Revenues are generated from events organized by the organization as well as third party events held throughout the community. The net proceeds from community sponsored events are donated to Southwestern Ontario Childrens Care Inc. Expenditures incurred to run these events are the responsibility of the fundraiser's and not Southwestern Ontario Childrens Care Inc.

The organization's primary annual fundraising events are the Ronald McDonald House Charities® Southwestern Ontario Golf Classic, Curling Bonspiel, Bowlathon, and Red Shoe Society Events.

|   | <b>2016</b>       | <b>2015</b>       |
|---|-------------------|-------------------|
| Revenues  | \$ 360,779        | \$ 313,039        |
| Expenditures                                    | <u>(128,688)</u>  | <u>(124,959)</u>  |
| Net proceeds                                    | 232,091           | 188,080           |
| Other events net proceeds                       | <u>115,756</u>    | <u>101,797</u>    |
| Total income recognized from fundraising events | <u>\$ 347,847</u> | <u>\$ 289,877</u> |

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**SOUTHWESTERN ONTARIO CHILDRENS CARE INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

**10. Investment Income**

The organization's investment income consists of the following:

|   | <b>2016</b>              | <b>2015</b>                |
|---|--------------------------|----------------------------|
| <b>Realized Investment Income</b>               |                          |                            |
| Interest, dividends and other                   | \$ 89,166                | \$ 91,125                  |
| Gain on sale of investments                     | 128,016                  | 13,936                     |
| Management fees                                 | <u>(4,868)</u>           | <u>(4,897)</u>             |
|   | <b><u>\$ 212,314</u></b> | <b><u>\$ 100,164</u></b>   |
| <b>Unrealized Investment Income (Loss)</b>      |                          |                            |
| Unrealized gain (loss) on investments           | \$ 217,722               | \$ (215,185)               |
| Unrealized foreign exchange gain on investments | <u>11,194</u>            | <u>110,770</u>             |
|   | <b><u>\$ 228,916</u></b> | <b><u>\$ (104,415)</u></b> |

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